



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

Employee Services

APR 07 2014

The Honorable John Hoeven
United States Senator
338 Russell Senate Office Building
Washington, DC 20510

Dear Senator Hoeven:

Thank you for your letter, dated March 20, 2014, to Chairman Condrey of the Federal Salary Council regarding compensation for Federal employees in western North Dakota. My office provides staff support for the Federal Salary Council, and Chairman Condrey asked us to respond on his behalf and to ensure your letter is shared with his fellow Council members.

We understand the significant economic impact increased domestic energy production has had on western North Dakota and other areas throughout the country in recent years, and we believe that where agencies in affected areas are experiencing staffing problems it is critical that the best available compensation solutions be applied. However, we believe the locality pay program is not designed to provide the best possible compensation solution for western North Dakota.

Based on what we have heard about certain Federal occupations in western North Dakota, staffing problems in the area may vary significantly by occupation. The locality pay program does not provide for varying compensation by occupation because it is designed to apply a single percentage supplement to the base General Schedule for all occupations in a geographic area. However, there are other flexibilities that allow compensation solutions to be applied strategically, such as special salary rates and recruitment, retention, and relocation incentive payments. My office has been working with the Department of the Interior to coordinate the collection of market and staffing data needed for a request for special salary rates to cover agencies in the area that have staffing problems.

If you have further questions, please feel free to contact Jennifer Tyree, Acting Director, Office of Congressional, Legislative, and Intergovernmental Affairs, at (202) 606-1300.

Sincerely,

A handwritten signature in cursive script, reading "Brenda L. Roberts", is positioned above the printed name.

Brenda L. Roberts
Acting Deputy Associate Director
Pay and Leave

cc: Stephen E. Condrey, Ph.D.
Chairman, Federal Salary Council